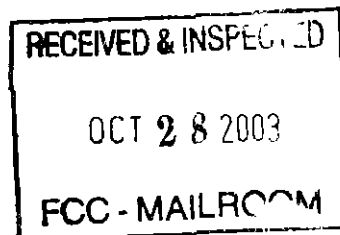


EX PARTE OR LATE FILED
**Mobile
Entertainment
Forum**



October 22, 2003

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
FW-A325
Washington, D C 20554

ORIGINAL

RE In the matter of the Pay-Per-Call Rules, Docket No CC 96-146

Dear Ms. Dortch.


On October 17, 2003 representatives of the Mobile Entertainment Forum met with Jane Mago, Katheleen Ham, Donald Stockdale, Sherille Ismail, Scott Marcus and Erin Boone of the Office of Strategic Planning and Policy Analysis, and Ruth Yodaiken, of the Consumer and Governmental Affairs Bureau

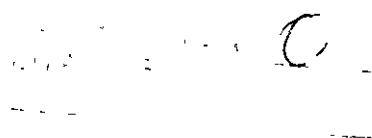
Mobile Entertainment Forum representatives included Andrew Bud, CEO of M-Blox, Inc., Robin Thompson, Director of Business Development at Opera Telecom USA, and Peter Brennan, Director of Industry Affairs at Tele-Publishing, Inc. Also in attendance was George Kidd, Director of ICSTIS, the independent regulatory body with responsibility for the regulation of pay-per-call services in the United Kingdom

The discussion centered around the introduction of premium-billed SMS services in the United States and possible regulatory and self-regulatory approaches to this new business. I have attached the power point presentation that was presented at the meeting by Mr. Bud which describes premium billed SMS services.

Pursuant to Section 1.1206 (b) (2) of the Commission's Rules 47 C.F.R. Section 1.1206 (b) (2) this letter and attachment is submitted for inclusion in the public record of the above-referenced proceeding

Sincerely,


Peter J. Brennan
US Regulatory Chair
Mobile Entertainment Forum



Premium Rate Text Messaging: growing a responsible industry

Andrew Bud
Board Member, MEF
Chairman, mBlox Inc.



Mobile
Entertainment
Forum

www.mBlox.com



Introductions

- **Mobile Entertainment Forum**

- Global trade association of the mobile content & services industry
- committed to growth through appropriate regulation
- only trans-national trade body in sector

- **mBlox**

- Leading European specialists in multi-network, multi-national Premium-Rate and bulk SMS services
- merged with Mobilesys Inc. in June 2003 to create first transatlantic SMS specialist
- Board members of MEF and MMA, chair of MEF Regulatory Initiative



Mobile
Entertainment
Forum



Premium Rate Text Messaging is....

-more simply known as PSMS
- **The engine that powers the European mobile content market**
 - Creates unprecedented consumer choice
 - Provides market access to large numbers of innovative entrants
 - Ensures mobile operators participate fully in mobile value
 - Enables immediate impulse-buy access to 50% - 85% of population
- **Generating ~\$1bn/yr in the first full year in Europe**
- **An exciting opportunity for US consumers, content providers and operators**

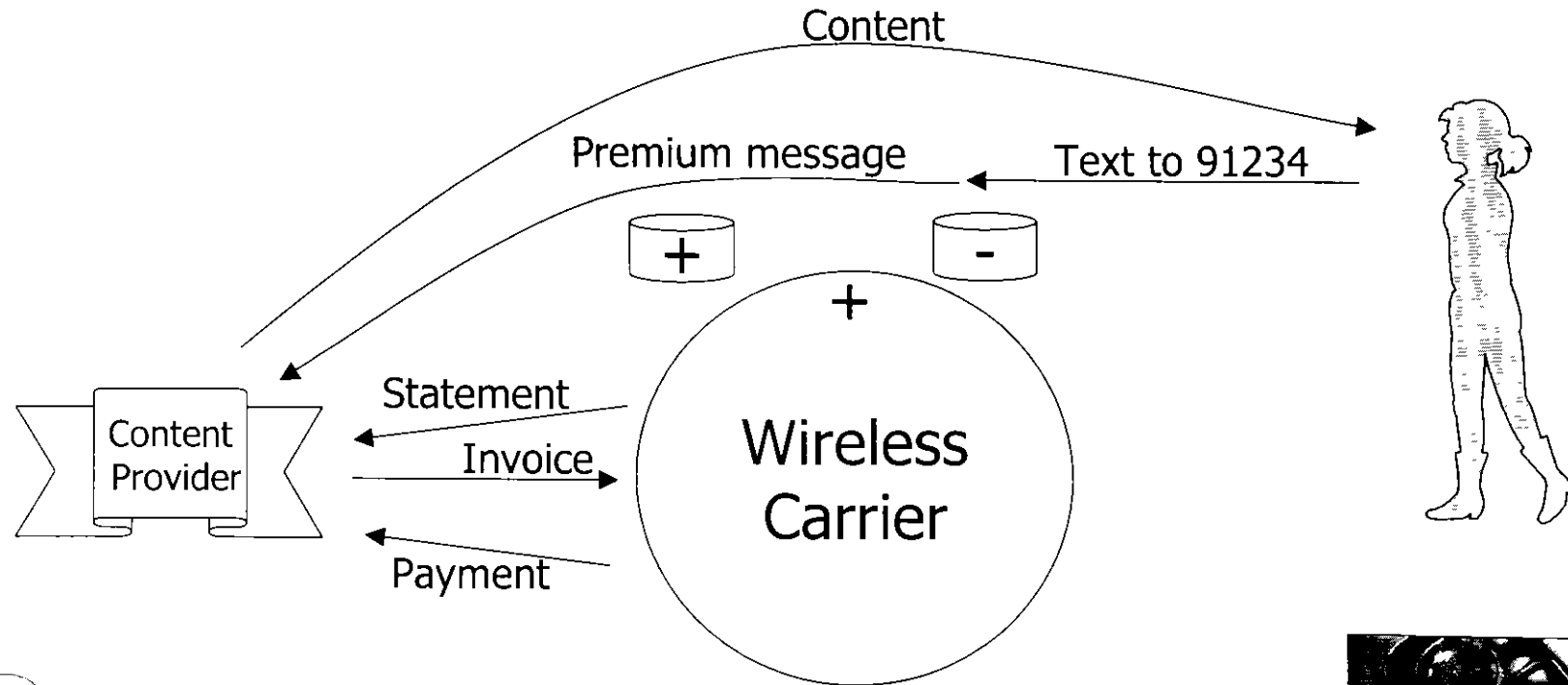


Mobile
Entertainment
Forum

m

883
888

How it Works: MO Billing

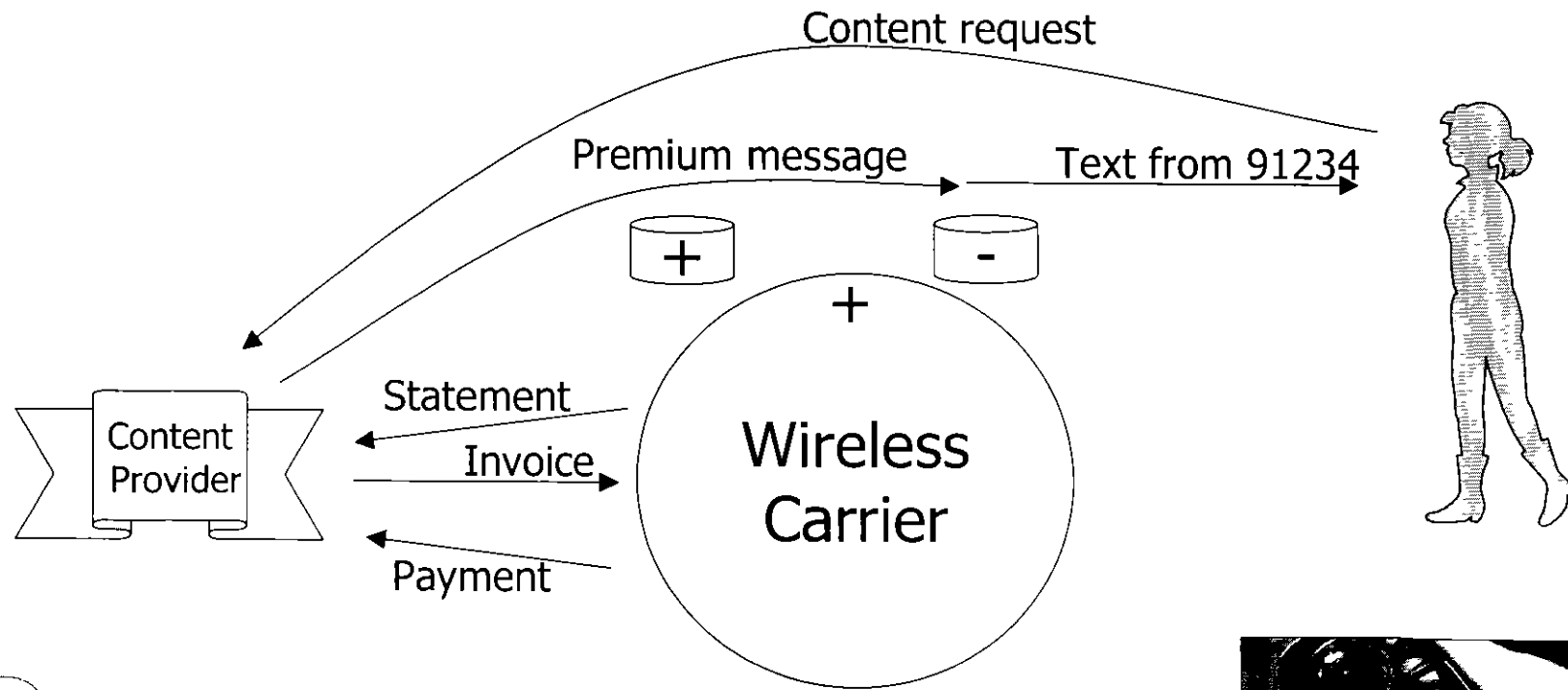


Mobile
Entertainment
Forum

- Main model in Italy and Scandinavia



How it works: MT Billing

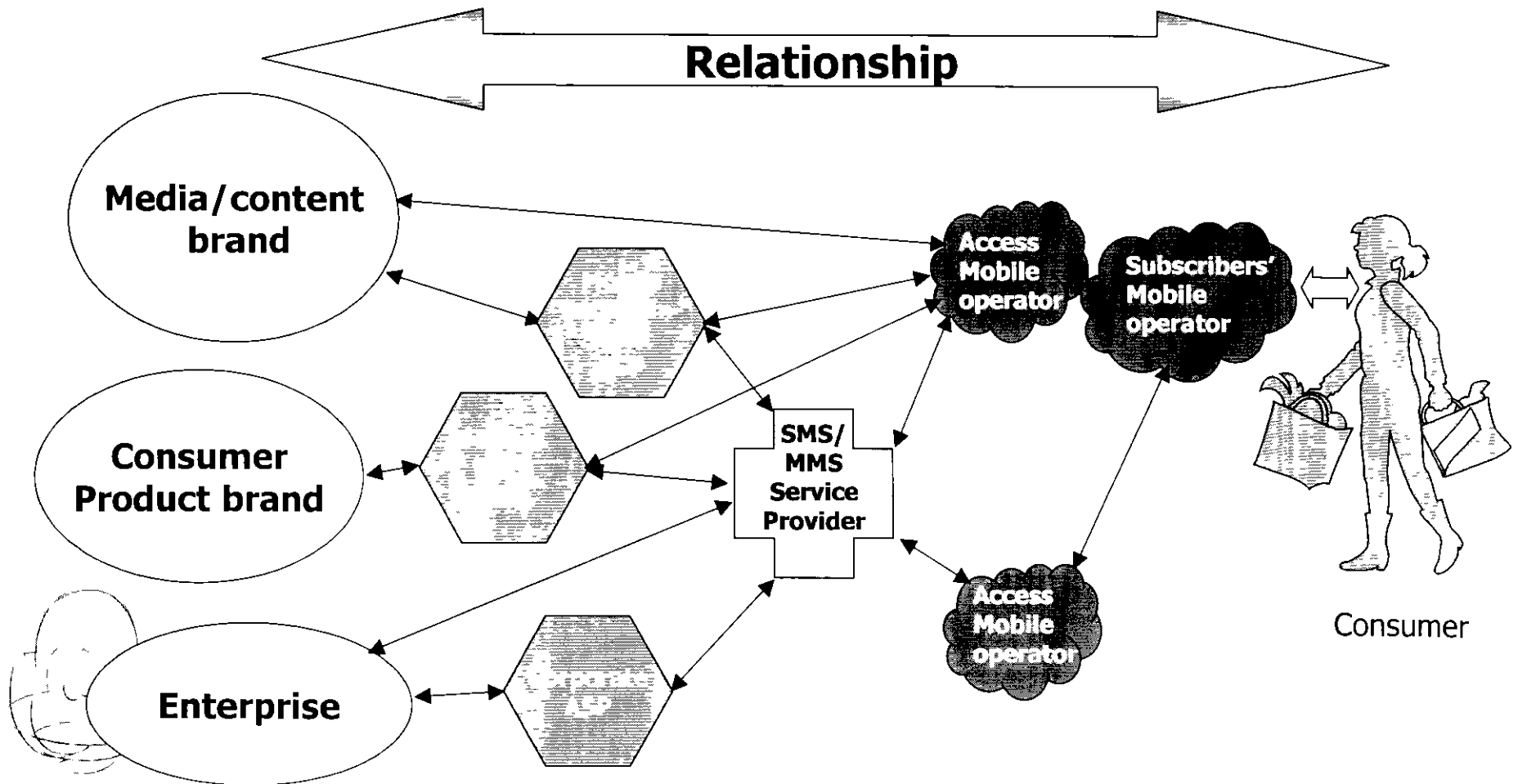


Mobile
Entertainment
Forum

- Lead model in UK, Spain
- Highly successful for market



The Applications SMS/MMS Supply Chain



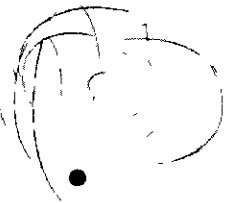
Mobile
Entertainment
Forum

m

200
200

Usage Data

- **ARPU across population typically \$5/year**
 - Conceals ARPU in user group around \$10/month
 - a US potential market in 2004/5 of >\$1bn/year
- **Carrier retention 25% - 50%**
- **Typical demographic: 15-30 year old**
- **Content purchased**
 - Ringtones
 - Chat
 - Games
- **Driving eg Java games, mobile music business models**



Mobile
Entertainment
Forum

m

999
300

Regulation

- **Good regulation has proven to be crucial**
- **Consumer confidence and market respectability**
 - No scams or sleaze
 - Professionalised industry
- **Consistent cross-network guidelines**
- **Coordinated commitment from operators**
- **Fair, independent, rapid ruling and enforcement**
- **MEF members are committed to good regulation of PSMS to encourage market growth**
- **Can useful experience in successful markets be drawn on?**



Mobile
Entertainment
Forum

